

Advance Planning Loan

(Currently the State Allocation Board is not approving Advance Planning Loans)

Introduction

In order for a district to conduct feasibility studies prior to filing a project application, an advance planning loan is available to alleviate the financial hardship. The SAB has established a revolving loan account which provides funding for administrative and advance planning costs not to exceed three percent of the estimated project cost. Loans granted through this program are referred to as "Advance Planning Loans". The SAB may make a loan to any district that submits a statement (*Form SAB 506L, Application for Apportionment (Advance Planning Loan) page 2-4*) of its intent to file a subsequent project application.

The advance planning loan is available for new construction, modernization and reconstruction projects. Approval for this loan is not, however, an approval of any subsequent application filed by the district.

The loan must be retired within 24 months by "conversion" or "repayment" methods.

Eligible Loan Expenditures

All advance planning loan expenditures are limited to those eligible as Phase I (feasibility study) costs when applicable to the subsequent project:

- appraisals
- escrow and title reports
- surveys
- architect fees for preliminary plans
- preliminary tests

Required Documents

The following documents are required to apply for an advance planning loan:

DOCUMENT NUMBER	DOCUMENT NAME
<input type="checkbox"/> SAB 506L	Application for Apportionment (Advance Planning Loan)
<input type="checkbox"/> SAB 508	Authorized Signatory

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Conversion and/or Repayment

Retirement of Loan

The advance planning loan must be retired within 24 months by one of the following methods:

IF an advance planning loan . . .	THEN . . .
has been converted to a building project (Conversion).	the loan amount will be deducted from the converted project's initial apportionment.
has not been converted to a building project within 24 months of the loan's warrant release (Repayment).	the loan is subject to repayment to include interest.

Repayment Amount

The repayment amount for each loan shall be the lesser of:

three equal annual payments to include interest, as calculated under Education Code Section 16065; or

equal annual installments calculated as follows:

VALUE	ACTION
district's prior year general fund	add
prior year adult education	subtract
budgeted debt service	subtract
budgeted capital outlay	multiply
½ of 1 percent	equals annual payment

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Form SAB 506L, Application for Apportionment (Advance Planning Loan)

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Form SAB 506L

All loan requests must be made on the *Form SAB 506L, Application for Apportionment (Advance Planning Loan)*. See *Exhibit 1, page 2-5*.

Signatories

The application must be certified with original signatures by the following members of the district's governing board:

Authorized Agent
District Representative/President or Chairperson and,
Secretary or Clerk ☺

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Exhibit 1: Form SAB 506L, Application for Apportionment

**Currently the State Allocation Board is not
approving Advance Planning Applications**

Form SAB 508, Authorized Signatory

Appointing a District Representative

All applications must be accompanied by a *Form SAB 508, Authorized Signatory* (see *Exhibit 2, page 2-7*). This document is a certified resolution of the district's governing board authorizing certain obligations of the governing board, and naming the district representative, CEQA officer and authorized signatory for contracts, agreements and change orders that have been approved by the governing board.

District Representative/Authorized Signatory

In the form of a board resolution, designate at least one person to serve in the following positions:

POSITION	RESPONSIBILITY
District Representative (Regulation 1865.1(f))	files application act as liaison between the district and the State Allocation Board (SAB)
Authorized Signatory	sign contracts, agreements and change orders that have been approved by the district's governing body

Changing the District Representative/Authorized Signatory

When changing or adding a designated district representative/authorized signatory, revised *Form SAB 508A, Resolution Changing the District Representative and/or CEQA Officer* must be submitted. ☺

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STATE OF CALIFORNIA AUTHORIZED SIGNATORY STATE SCHOOL BUILDING LEASE-PURCHASE PROGRAM (CHAPTER 22, PART 10, EDUCATION CODE) SAB 508 (REV. 06/92)	DEPARTMENT OF GENERAL SERVICES STATE ALLOCATION BOARD
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SCHOOL DISTRICT (LEGAL NAME)	COUNTY	RESOLUTION NUMBER
APPLICATION NUMBER (OLA USE ONLY)		

All documents must have original signatures.

WHEREAS, the above named school district or County Superintendent of Schools qualifying pursuant to Section 2553 of the Education Code, hereinafter referred to as the "District," is applying to the State Allocation Board for lease-purchase projects pursuant to Chapter 22, Part 10 of the Education Code, for needed school facilities, and for such purpose, is authorizing certain required actions in connection with said application(s);

NOW, THEREFORE, BE IT RESOLVED BY _____
the Governing Body of said District, as follows: (Legal Name of Governing Body)

1. That _____ ,
(Name) (Official Position)
is hereby designated as District Representative of the District and is hereby authorized and directed to file, on behalf of the District, such applications with the State Allocation Board under Chapter 22, Part 10 of the Education Code, as the President/Chairperson and Secretary/Clerk of the Governing Body may certify as provided herein;
2. That to insure the authenticity of said application(s), the President/Chairperson and Secretary/Clerk of this Governing Body are hereby requested to review said application(s) to determine that (they) (it) properly set(s) forth the request of the Governing Body of the District and to affix their signatures thereto in approval of said application(s);
3. That said District Representative is authorized to furnish and certify to the State Allocation Board such information as may be required and is further authorized to act as liaison between the State Allocation Board and the school district in its capacity as agent of the State Allocation Board for the purposes of the project(s).
4. That _____ ,
(Name) (Official Position)
is hereby designated as CEQA Officer of the District for the purpose of meeting the requirements of the California Environmental Quality Act as it may apply to any lease-purchase project of the District.
5. That _____ ,
(Name) (Official Position)
is hereby designated authorized signatory for contracts, agreements and change orders that have been approved by the Governing Body of the District.
6. That certified copies of this resolution be included with applications for apportionments submitted to the State Allocation Board.

I, _____ Secretary/Clerk of the _____ School District, State of California, do hereby certify the foregoing to be a true and correct copy of a resolution adopted by the Governing Body of the aforesaid school district at a regular/special meeting held on the _____ day of _____, 19____, as the same appears on record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19 ____ .

Signature _____

file in: (old) District Resolutions
 (new) District Resolutions